



Jasper on “volcano that’s about to explode”

By Angela Reinhardt on June 3, 2026

Residents at risk over infrastructure problems: Hospital expansion may be derailed, developers say

Developers painted a grim picture of the city’s water infrastructure at Monday’s Jasper City Council meeting, referring to the situation as “dire.” They believe residents are at financial risk and the city is missing out on significant projects, including a large expansion at Piedmont Mountainside Hospital.

“The city is sitting on a volcano that’s about to explode,” said Neil Hughes, a developer familiar with the expansion because he was involved with Piedmont Village Cottages project behind the hospital. He is also president of Piedmont Village Cottages HOA and president of Clear Creek Communities LLC.

Hughes spoke about the city water system’s more than 45 percent water loss and potential “devastating” impacts he thinks it could have for residents.

“According to the American Water Works Association, losses over 40 percent are considered crisis levels with system failures and chronic mismanagement,” he said. “Jasper is in a dangerous financial position should the EPA or state regulators require \$20 million in immediate repairs. The impact on the community would be devastating.”

He told council that without additional borrowing power, the city would be forced to pass on any infrastructure repair costs to residents. He also said the ongoing suspension of water and sewer hookups is causing Jasper to be passed by for valuable developments that could bring jobs and ongoing revenue for the city.

“Piedmont Hospital wants to do a major expansion of its existing facilities, which would establish Jasper as a regional medical destination,” he said. “The city has denied this request because of the water crisis. In addition, hospital representatives were advised to consider keeping water tanker trucks on site in the event of a municipal water system failure.”

Hughes said he is aware of over \$300 million in developments that want to come to Jasper. He believes the city could generate millions of dollars in taxes and create 700 jobs by implementing a 1.5 percent impact fee and preselling tap-on fees for new developments.

“The city could potentially create eight to 10 million dollars urgently needed for infrastructure improvements,” he said. “This approach would allow the growth to pay for the solutions, rather than placing the entire financial burden on existing residences and businesses.”

Developer Robert Armstrong of Atlanta Land Group called for public-private partnerships and stressed what he sees as critical infrastructure issues.

“The infrastructure installation is going to be what it needs to help get this city back into a safe operating zone,” he said. “The current zone the city is in puts all the homeowners and other taxpayers at risk for some extremely high rate increases to support the cost and help bail the city out of this situation. I mean, this is dire, and I hope that you all take this seriously.”

Armstrong believes public-private partnerships could generate revenue and secure bonds for infrastructure improvements. He said that within a few months, the partnerships could raise \$4 million.

“This...can help solve some problems that come up with the Georgia Environmental Finance Authority (GEFA),” he said. “We believe with the funds that we can help generate through this construction financing fee and with tap fees...we can help the city get approved for a \$24 million bond or fund where right now they have only been afforded \$8 million in financing through its current incomes.”

He also referenced the Piedmont expansion and said if the city does not work out a solution, the development and its jobs could go to another county.

In her comments, longtime local realtor Gina Johnson of Norton Realty acknowledged that the current city leadership inherited the problems but urged them to find ways to support future development.

“There are opportunities here,” she said. “I understand the residents do not want this looking like Sandy Springs or Marietta...but there’s got to be some kind of compromise to have enough development along 515 to support the utility construction and development...There’s a bunch of stuff that we could have if everybody is willing to support that.”

Jasper resident Terry Palmer expressed concern about the system’s water loss and called for a joint task force to address what she called a “hodgepodge” service delivery area.

“The city and county need to form a joint water authority to limit the duplication of services,” she said, going on to call for action and transparency.

City leaders talk infrastructure improvements

During city council public comments, council member Steve Lawrence stressed that the city is investing millions in infrastructure improvements.

“We are spending what we can spend and what we have, so we have effective use of the money that we have,” he said.

Jasper’s Deputy City Manager Kim Goldener gave an update about ongoing GEFA-funded infrastructure projects.

Upgrades to the water treatment plant are underway and while they do not increase capacity, bring the facility up to code. Improvements include electrical systems, filter systems, and meters. This is a \$2 million project.

On the wastewater side, the sanitary sewage collection system, including manholes, mains, and everything outside the plant, is being improved in certain areas. The city has worked with the company Inliner since last September to clean and “televise” the area where most development is taking place. This project is \$1.5 million. Goldener noted that some funding will be left over and reallocated to other areas.

A new master lift station in the works will allow the city to decommission two old, ineffective lift stations that “really cause the most issues we have.”

“This new lift station is sized appropriately,” she said. “It is sized for capacity...being built on property the city has already owned...a 22-acre site off Mineral Springs Road.”

The city allocated \$3 million for this project, with current costs around \$2.5 million. Goldener hopes funding will be left over to reallocate.

Goldener also referred to upgrades to lines at Twin Mountain Lakes, which have very small 2-inch lines and no fire protection. This \$500,000 project is funded through SPLOST and the city’s wastewater budget.

Residential rezoning, annexation moratorium approved

Considering the city’s ongoing suspension of new water/sewage hookups, which was put in place in September 2024 and has been extended now through September 2027, council approved a one-year moratorium on certain residential annexations and rezoning requests.

“This resolution is to say that we are not getting any positive traction on sourcing water,” said Jasper City Manager Brandon Douglas. “We wanted to make it very clear...and take it a step further. It’s now not going to be allowed to ask for a major rezoning of residential.”

Douglas said the moratorium does not apply to commercial properties or “one-offs.”

In a later interview, Jasper City Manager Kim Goldener clarified that the moratorium will apply to any residential property with two or more dwelling units, but not to properties that are zoned improperly. An example of the latter would be a property that has historically been used for residential purposes but is now zoned commercial.

“We do recognize we have some parcels that, for whatever reason, are classified incorrectly,” she said. “We don’t want to affect these folks’ ability to finance, refinance, meet a setback, etc., simply because of an error that is of no fault of their own.”

In other news from council:

- Council received a positive audit report from William Harris with Rushton & Company with no significant findings. Find more details about the audit in upcoming coverage.
- A Jasper resident made public comments about accessibility with Jasper's parking and sidewalks, including the city's policy that builders can request to make a payment instead of building a sidewalk.
City Planning & Development Director Mary Elizabeth Burgess clarified that for builders who qualify, which is for things such as topographical issues, those funds are used only for other sidewalk projects.
- Council denied two utility requests for an existing commercial property at 44 Mountain City Drive and another existing commercial property at 2264 Highway 53 West.